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GAO Report on Klamath Basin Conservation Program Raises Concerns with Reps. Herger, Doolittle

(WASHINGTON D.C.) - In a report recently released by the Government Accountability Office (GAO) examining funding received and spent by a federally-authorized environmental restoration program in the Klamath River Basin, the GAO found that the offices within the Fish and Wildlife Service (FWS) responsible for implementing the program lack sufficient financial controls and mechanisms to assure compliance with funding requirements and limitations integral to the authorizing law. The report, entitled "Klamath River Basin Conservation Area Restoration Program: Limited Assurance Regarding the Federal Funding Requirements," was requested by six members of Congress, including California Congressmen Wally Herger (CA-2) and John Doolittle (CA-4), who represent the Upper Klamath Basin.

"This report raises some troubling concerns about insufficient accountability within the restoration program and a failure, that dates to the inception of the program, to take reasonable steps to ensure taxpayer dollars are being spent in accordance with the law," Herger stated. "I appreciate GAO's good work on this issue, and their specific recommendations. They will be very useful as Congress, through the committees of jurisdiction, considers the merits of this program and whether continued funding is justified."

Doolittle said, "The GAO's report has raised questions and concerns that merit further examination by Congress, and I look forward to that process. As we seek to tighten our belts and limit unnecessary federal spending during this time of tight, wartime budgets, we need to ask ourselves, 'is this funding providing sufficient results and accountability for the taxpayer?' As with similar programs, the burden is on the agency and the program proponents to demonstrate whether that is the case. This report gives us cause to seriously question that."

The GAO conducted a limited financial review of the Klamath River Basin Conservation Area Restoration Program (Program), which was authorized by the "Klamath River Basin Fishery Resources Restoration Act of 1986" (Act). It also examined funding for the two entities authorized by the Act, the Klamath Fishery Management Council (Management Council) and the Klamath River Basin Fisheries Task Force (Task Force). GAO focused on the 5-year period

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from FY00 to FY04, the most recent period for which complete records are available. It also analyzed whether the requirements and limitations of the law have been met, but it did not evaluate the efficiency and effectiveness of the program. Among its findings, GAO determined:

- 1) The FWS, the entity charged by the Secretary of the Interior with managing the Program, does not evaluate whether 50 percent of the cost of the Program is being provided by nonfederal sources, as required by the law. The agency does not have sufficient controls in place to ensure it is complying with the Act's requirement that nonfederal contributions not originate as federal dollars.
- 2) The agency did not publish regulations required by the Act pertaining to the experience and training of volunteers for those volunteer services to count as in-kind contributions, and regarding the standards for determining the value of all types of noncash contributions. Moreover, sufficient controls are not in place to provide assurances that existing guidelines on these issues are being adhered to.
- 3) The agency lacks sufficient controls to provide reasonable assurances that specific limitations on the use of appropriated funds are being complied with.

Herger and Doolittle indicated that they hope a number of important questions and issues will be addressed through the committee process, including:

- 1) After nearly 18 years and \$17 million, what has the restoration program achieved? Has it achieved measurable progress for fish and for water supply reliability for agriculture?
- 2) Are the two entities authorized under the law – the Management Council and Task Force – appropriately serving their intended purposes? Are they duplicative of other environmental restoration efforts and efforts to manage fish populations? Can the same goals be met without the added taxpayer expense and bureaucracy?
- 3) Given the tight budget climate, is continued funding justified? Is this spending the public believes is warranted given competing priorities in other areas?
- 4) Do GAO's findings suggest Congress should act immediately to withhold further funding for this program? What savings would be realized? Should those funds be allocated to a program where taxpayers can be more reasonably assured of results and accountability, or diverted to an area where there are more pressing needs? Should the authorization simply be allowed to expire in 2006?
- 5) What other similar federal programs and commissions are out there? Have they demonstrated a similar failure to assure compliance with the spending requirements and limitations of their authorization legislation? How much are they spending? Are they wise and effective uses of the taxpayer's dollars?

The full report can be accessed online at: www.gao.gov/cgi-bin/getrpt?GAO-05-804.

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